

106TH CONGRESS  
1ST SESSION

# H. R. 1675

To provide for the full funding of the Pell Grant Program.

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IN THE HOUSE OF REPRESENTATIVES

MAY 4, 1999

Mrs. MINK of Hawaii introduced the following bill; which was referred to the  
Committee on Education and the Workforce

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## A BILL

To provide for the full funding of the Pell Grant Program.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “\_\_\_\_ Act of 1999”.

5       **SEC. 2. FULL FUNDING OF PELL GRANT AWARDS.**

6       Subsection (g) of section 401 of the Higher Edu-  
7       cation Act of 1965 (20 U.S.C. 1070a(g)) is amended to  
8       read as follows:

9       “(g) ADJUSTMENTS FOR INSUFFICIENT APPROPRIA-  
10      TIONS.—

11               “(1) FISCAL YEARS 1999 AND 2000.—(A) If, for  
12      fiscal years 1999 and 2000, the funds appropriated

1 for payments under this subpart are insufficient to  
2 satisfy fully all entitlements, as calculated under  
3 subsection (b), the amount paid with respect to each  
4 entitlement shall be—

5 “(i) the full amount for any student whose  
6 expected family contribution is \$400 or less; or

7 “(ii) a percentage of that entitlement, as  
8 determined in accordance with a schedule of re-  
9 ductions established by the Secretary for this  
10 purpose, for any student whose expected family  
11 contribution is more than \$400.

12 “(B) Any schedule established by the Secretary  
13 for the purpose of subparagraph (A)(ii) of this sub-  
14 section shall contain a single linear reduction for-  
15 mula in which the percentage reduction increases  
16 uniformly as the entitlement decreases, and shall  
17 provide that if an entitlement is reduced to less than  
18 \$200, no payment shall be made.

19 “(2) SUCCEEDING FISCAL YEARS.—(A) For fis-  
20 cal years 2001, 2002, 2003, 2004, and 2005, each  
21 institution of higher education which has an agree-  
22 ment with the Secretary under subparagraph (C) of  
23 this paragraph—

1           “(i) shall make awards to its eligible stu-  
2           dents in the full amount to which such student  
3           is entitled under this subpart;

4           “(ii) shall, except as provided in subpara-  
5           graph (E), credit the amounts of such awards  
6           toward the tuition, fees, room and board, and  
7           other expenses incurred by the eligible student;  
8           and

9           “(iii) shall submit vouchers for reimburse-  
10          ment of such awards at such time, in such  
11          form, and containing or accompanied by such  
12          information as the Secretary may require by  
13          regulation.

14          “(B) The Secretary shall reimburse each insti-  
15          tution submitting a voucher under subparagraph  
16          (A)(iii) for the full amount of the awards credited by  
17          such institution to eligible students as required by  
18          subparagraph (A)(ii).

19          “(C) Each institution desiring to provide grants  
20          under this subpart to its eligible students shall enter  
21          into an agreement with the Secretary for purposes  
22          of this subsection. Such agreement shall—

23               “(i) specify the conditions with which the  
24               institution shall comply to obtain reimburse-  
25               ments under this subsection;

1           “(ii) specify the obligations of the Sec-  
2           retary with respect to such reimbursements;  
3           and

4           “(iii) contain such additional terms and  
5           conditions as the Secretary may require by reg-  
6           ulation.

7           “(D) An institution which—

8               “(i) has entered into an agreement with  
9           the Secretary under subparagraph (C);

10               “(ii) has awarded grants to eligible stu-  
11           dents in accordance with this subpart; and

12               “(iii) credited such awards in accordance  
13           with subparagraph (A)(ii) of this subsection;

14           shall be deemed to have a contractual right against  
15           the United States to receive reimbursement accord-  
16           ing to the provisions of this subsection. Such reim-  
17           bursements shall, for purposes of chapter 39 of title  
18           31, United States Code, be considered to be pay-  
19           ments made for the acquisition of services by con-  
20           tract with the Department.

21           “(E) In the case of a student who does not re-  
22           side in institutionally owned or operated housing and  
23           whose basic grant exceeds the amount of the tuition  
24           and fees owed by that student, the institution shall  
25           pay such excess to such student in accordance with

1       procedures as may be prescribed by the Secretary.  
2       For purposes of subparagraph (D)(iii), any amounts  
3       so paid shall be treated as amounts credited in ac-  
4       cordance with subparagraph (A)(ii), and may be  
5       used by such student to cover room, board, transpor-  
6       tation, child care, books, and other costs of attend-  
7       ance.”.

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